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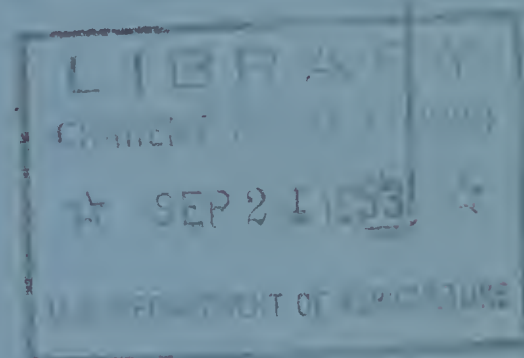
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ANNUAL REPORT
OF THE
FOREIGN AGRICULTURAL SERVICE



FISCAL YEAR
1952-53



UNITED STATES DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D.C.

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F O R E I G N A G R I C U L T U R A L S E R V I C E

R. E. Short. Director

Fred J. Rossiter . . . Associate Director

Francis A. Flood . . . Assistant Director

R. H. Walker Assistant Director

This Annual Report was prepared pursuant to statutory requirements and United States Department of Agriculture regulations.

ANNUAL REPORT

Foreign Agricultural Service

1952-53

Foreword

The Department's foreign agricultural work underwent sharp administrative transition and readjustment in the fiscal year 1952-53 to increase its service to American agriculture in a period of falling farm exports.

Primary developments in this respect were:

1. The designation February 25, 1953 by the Secretary of Agriculture of F. R. Wilcox, an official of an internationally known citrus cooperative marketing association, as consultant on plans to enable the Office of Foreign Agricultural Relations to provide more information regarding foreign farm markets and, as the Secretary expressed it, to "smooth the economic and diplomatic paths over which our export products move."
2. The establishment March 10 by the Secretary, after receiving Mr. Wilcox's recommendations, of the Foreign Agricultural Service to perform the duties formerly undertaken by the Office of Foreign Agricultural Relations, with reoriented emphasis on development of foreign agricultural markets.
3. The designation on the same date by the Secretary of R. E. Short, Arkansas farmer and national agricultural leader, as Director of the new Service.
4. Appointment by the Secretary on April 30 of 13 leaders in various fields of agriculture as an Advisory Committee on Foreign Agricultural Trade and Technical Assistance to advise him on matters related to foreign trade in farm products.
5. Approval June 3 by the Congress of President Eisenhower's Department of Agriculture reorganization plan which, among other provisions, made possible the appointment of Mr. Short as an Assistant Secretary of Agriculture, with responsibility for foreign agricultural activities of the Department.

As the fiscal year ended, more detailed plans were being completed to broaden Foreign Agricultural Service responsibilities in the development of foreign farm markets, and in the correlated field of foreign technical assistance.

THE FOREIGN TRADE SITUATION

World agricultural production continued high during 1952-53, but United States agricultural exports were 30 percent below the preceding year and about 20 percent below the 5-year average of 1947-48 through 1951-52. This sharp decline in the value of exported farm products was a major factor in reducing the economic status of American agriculture.

After World War II, United States farm production expanded to meet emergency demands of deficit countries of Europe and Asia, and in 1952-53 reached a record level of 45 percent above 1935-39. Domestic consumption also was high, but the huge outturn on one hand, and reduced exports on the other, caused United States farm prices to fall and larger domestic stocks of principal farm products to accumulate.

This country's agricultural exports in 1952-53 amounted in value to about \$2.8 billion, compared with the all-time record of more than \$4 billion the year before, and with an average of \$3.5 billion in the 5 previous years.

Causes and Effect of the Export Decline: Principal reasons for the export drop were (1) improved agricultural production outside the United States; (2) reduced inventories in importing countries in response to the eased world supply situation; (3) reduced United States foreign economic aid; (4) continued, though less stringent, dollar shortage abroad; and, (5) low world prices for several commodities compared with United States prices.

The impact upon United States agriculture of the decline in exports was, of course, considerable. It could not have been otherwise, since our farms in recent years have found foreign markets for 40 percent or more of their production of wheat, rice, sorghum, and cotton; 25 percent or more of their production of tobacco, lard, and prunes, and large quantities of such other important commodities as soybeans, raisins, citrus fruit, and apples. Also, the more than \$4 billion spent by foreign consumers for United States farm products in 1951-52 added much more than that to our domestic economy. It meant extra income in the realm of finance, storage, transportation, and other services related to the production and sale of those commodities.

Analyzing the Problem: In examining the problem there was realization that trade is a "two-way street" -- that only through United States imports can foreign customers obtain dollars with which to buy American farm products. American prosperity has always been greatest when its foreign trade -- imports as well exports -- have been greatest, and vice versa.

Recognition was given to the following as specific objectives:

- (1) Careful study of United States foreign trade policies, both as they affect farmers, and as they affect all citizens and consumers.
- (2) Study of such encouragements to international trade as the Reciprocal Trade Agreements program which substitutes the negotiated approach for the more arbitrary legislative approach in setting up the rules of trade.

- (3) Careful following of the findings of trade study groups looking into the problem.
- (4) Examination of such impediments to international trade as unduly complicated customs procedures; lack of currency convertibility; and undue restrictions on imports from other countries.
- (5) Support of our national efforts to help other countries improve their economies, not only from a humanitarian standpoint but also from practical realization that the better off our neighbors are, the better customers they will be for our products.

The Challenge to FAS: The challenge to the Foreign Agricultural Service as a world agricultural fact-finding agency in the year ahead is to keep American agriculture supplied with current information it must have in order to obtain a fair share of the world markets, and to promote in other ways the sale of American farm products abroad.

One of these steps involves sending more commodity marketing specialists abroad to do on-the-spot reporting regarding marketing conditions and sale possibilities. Closely connected with this is greater utilization of the services of the agricultural reporting officers of the United States Foreign Service, and more rapid transmission to American agriculture of important information reported by these officers.

Another step is the placing of increased emphasis on basic research in agricultural trade problems as a guide for establishment of sound policies in that field.

Thirdly, it is a Foreign Agriculture Service responsibility to help remove obstacles to foreign trade, and to aid other countries to become better customers through technical assistance, foreign investment, greater use of credit facilities and other means.

EXPORT MARKETING AID

The Foreign Agricultural Service, like the Office of Foreign Agricultural Relations before it, during 1952-53 supplied farmers, handlers and marketers of agricultural products information on foreign production and supplies of agricultural products, foreign demand for and competition in such products, and agricultural policies of other countries affecting international farm trade.

It was able to furnish much of this information by virtue of being the center of a world-wide agricultural reporting network through which flowed reports from about 70 Agricultural Attaches and other officers of the U.S. Foreign Service. These reports of current developments in world agriculture, supplemented by information from the Foreign Agricultural Service's own representatives and other sources abroad, were evaluated, interpreted, and otherwise made available for the benefit of American agriculture on a day-to-day basis by commodity and country specialists.

Foreign Market Studies

On-the-spot reports on foreign outlets for, and competition with American farm products also were obtained by marketing specialists sent abroad under the Agricultural Marketing Act to gather such information for United States producers and exporters.

Three full-time marketing specialists were stationed in Europe, the most important single marketing area for United States agricultural commodities, to report, respectively, on the marketing situation with regard to cotton, tobacco, and deciduous fruit. Three other specialists went to Europe for shorter time to report, respectively, on possibilities for United States exports of fats and oils, and citrus fruits, and on potential trade between cooperatives. Another marketing specialist conducted a study in Asia on cotton marketing, and still another worked in Washington on grain.

One specialist covered much of Europe, Africa, and Asia in a tobacco marketing study conducted by the Foreign Agricultural Service through cooperative agreement with an association of tobacco producers.

Other work done under the Agricultural Marketing Act included the prompt reporting of trade restrictions affecting the marketing of United States products in other countries, and discussions with government officials in other countries exercising control or partial control of imports. In addition, there was compiled for the first time a comprehensive publication of basic statistics of United States agricultural trade and the factors which influence foreign demand for United States farm products. Work was completed on an analysis of United States trade with the United Kingdom, the Nation's most important single-country agricultural market.

Technical Assistance

It became increasingly evident that improvement of levels of economic productivity and purchasing power was necessary in the world's underdeveloped areas in order to expand markets for United States farm products in those areas.

This was a prime motivation for the active role the Service continued to play in 1952-53 in the overseas technical assistance program (Point 4), whose over-all objective is the building of more prosperous economies and more stable governments in friendly countries abroad.

BASIC OPERATIONS AND RESEARCH

The basic operations and research activity of the Foreign Agricultural Service included reporting of situations with respect to specific commodities, and studies in foreign agricultural policy and trade.

Much of this work was in furtherance of, or paralleled the marketing promotion studies, previously referred to, conducted under the Agricultural Marketing Act.

Basic functions included (1) representing the interests of United States agriculture at important meetings of international, interdepartmental and departmental

organizations, groups and committees; (2) working with other Government agencies in statistical and analytical work necessary for the national defense; and (3) the coordination of the Department's technical agricultural activities abroad, and participation with the Technical Cooperation Administration in carrying out Point 4 technical assistance work.

Rural Land and Income Problems

As the problem of food production and economic and political security in certain countries is directly affected by the system of land ownership and distribution of rural income in these countries, studies of the existing rural situation and the attempted rural reforms being initiated by several local governments were undertaken by FAS representatives on the Inter-Agency Land Reform Committee. Information of this character was useful in carrying out the Government's technical assistance programs.

Trade Policy and Negotiation

Analysis of United States Foreign Trade: Major effort was devoted to studying the reasons for the decline in agricultural exports and making an analysis of future export prospects. Several plans were studied and recommendations made of possible methods of expanding United States agricultural trade and adjusting United States agricultural production to the probable level of requirements and exports. Programs for famine assistance and international famine reserves were given extensive study to determine policies and programs for meeting world food emergencies.

Legislative Assistance: To fill Congressional requests, the Service assembled data for use in testimony by the Secretary and other Department officials relating to foreign agricultural trade and trade policies. In addition, numerous legislative bills affecting foreign agricultural trade were referred to the Service for comment and analysis. These included measures to promote agricultural exports, dispose of agricultural surpluses, simplify customs procedures, amend and extend the trade agreements authority, and control imports.

Operations Under International Trade Agreements: A comprehensive analysis of the trade of our principal market-countries which are members of the General Agreement on Tariffs and Trade, and of their financial and other restrictions on imports was made to determine whether there was unjustified discrimination against United States agricultural products.

The Foreign Agricultural Service took the lead in obtaining a United States Government position for a firm attitude against unnecessary discrimination and protection by countries in balance-of-payments difficulty. At the Seventh GATT Session, in consultations held with 7 countries, specific cases of discrimination were called to the attention of the contracting parties and requests made for correction. During this same Session, United States import controls and export payments were defended.

Trade Agreement with Venezuela: The Service represented the Department in negotiation of a revision of the bilateral trade agreement with Venezuela, which is a principal Latin American market for American farm products and which ranks first as a world market for skim milk. As a result of FAS efforts several attempts to withdraw existing favorable treatment to United States products to protect Venezuelan producers from competition were dropped.

The Service furnished representation on country committees and on the Trade Agreements Committee to discuss problems arising under the bilateral agreements in effect with Argentina, Guatemala and Ecuador.

Negotiated Formula for Calculating Supplemental Rice Imports into Cuba: Cuba is the most important foreign market for United States rice. Under the General Agreement on Tariffs and Trade, the United States obtained a low-duty minimum quota of 3,250,000 Spanish quintals, plus a supplemental quota to be announced by Cuba each year on the basis of its consumption requirements. The Cuban Government did not follow any schedule in announcing the supplementary quota, and in at least one year did not announce any quota above the minimum of 3,250,000 quintals. During 1953, the Service assisted in working out with the Cuban Government a formula for the calculation of this supplemental quota, and for the announcement of the quantity on specified dates. This arrangement is now enabling more orderly marketing and allows the trade to schedule exports to take advantage of the low import duty into Cuba.

Two special trade analyses were undertaken. One was a compilation of exports, imports, and net foreign trade positions with respect to each commodity and the products thereof under price support and related programs, and the 1930 and current duty status of each of these items. This study was made as a basis for analyzing the interrelationships between United States foreign agricultural trade and United States price support programs. A second project will, when completed, show the tariff concessions we have received for each agricultural commodity from foreign governments under the trade agreements program; what these concessions were, and the yearly exports of such commodities to trade agreement and other countries.

Also completed, but not yet published at year's end, were tables showing foreign tariff concessions on the basic and on the designated nonbasic price support commodities and their chief products, and the 1951 exports to trade agreement and other countries.

Analysis of East-West Trade: An extensive survey was made of the 1952 trade between Western Europe, and Russia and Satellite countries in agricultural products in 1953 and the possibilities of future trade between these two areas. This trade is of considerable importance to United States agriculture as in the prewar period the Eastern European countries now in the Satellite area were important exporters of food products to Western European countries.

Agricultural Production and Trade Programs of Foreign Countries Analyzed: Prepared an extensive summary of agricultural market and price policies in foreign countries, summarizing the production and trade policies of the leading foreign markets for United States agricultural products and the influence of these policies upon our agricultural trade. This report provides a general review of trade and exchange control policies used to restrict the imports of United States agricultural products as a whole and by regions, as well as giving the details of policies now in effect in several major foreign countries.

Commodity Discussions and Negotiations: The negotiations and counsel leading to the renewal of the International Wheat Agreement, and the control and allocations of rice were also major activities during fiscal year 1953. Office participation in FAO Council meetings called for coordination of efforts of the entire Department. Department consideration of proposed Section 22 and Section 104 actions required the preparation of detailed information on relevant foreign production and trade. In compliance with the request of Congress for data affecting the foreign trade in cotton, grain, tobacco, wool, livestock, meats, dairy products, poultry, fruits and vegetables, reports were prepared and presented in a hearing during the year.

Assistance to President's Advisory Board of Mutual Security: In order to assist the President's Advisory Board in its review of United States foreign trade policies, several studies were made of the United States financial and agricultural policies and their relationship to our agricultural trade.

Trade Developments by Commodities

Cotton: The fiscal year 1952-53, roughly corresponding to the cotton marketing season, was a year of anxiety and disappointment, owing to a decrease of about 50 percent in cotton exports below 1951-52. FAS, concerned with the effect upon American cotton producers and others, intensified its work of gathering basic and current information regarding foreign cotton demand and competition.

Three summary reports of the world cotton crop during the year showed foreign production apparently leveling off at its prewar peak of about 20 million bales, and that, for the second successive year, total world production exceeded total consumption. A summary of world stocks early in the season indicated that, with current high production, supplies of cotton available for export in other producing countries would be exceptionally large. Reports showed that a number of major exporters, under pressure of extraordinary supplies, were girding themselves to meet the new world market situation by lowering their price supports and cutting their export taxes.

The effect of these measures was reflected in the prices in principal foreign markets. Downward price adjustments of foreign cotton were drastic, amounting to about 30 cents a pound below the previous year in some extreme cases, while American cotton prices dropped only about 10 cents. American cotton farmers thus found themselves faced with a competition unknown since before World War II.

The services of two cotton marketing specialists assigned to work abroad under the Agricultural Marketing Act -- one full-time in Europe and the other during the second half of the season in the Far East -- were valuable in furnishing information regarding actual conditions of foreign marketing competition.

FAS cotton specialists maintained constant informational contact with the Nation's cotton industry through personal discussion which included hundreds of mail and telephone requests regarding developments, and publication of weekly world cotton prices and the issuance of an average of about five articles or reports a week during the year on phases of the world cotton situation.

Service representatives participated in frequent meetings to further resistance to the decline in cotton export trade, and joined in active steps to minimize the foreign market loss. For example, advised by United States Foreign Service officers that foreign spinners like American cotton's spinning qualities, FAS urged the publicizing of the improvement in United States cotton in recent years through efforts of geneticists and seed-breeders, and the widespread adoption of standardized varieties in the United States. It also helped organize a mission to Europe to exchange with textile industry specialists their information on cotton qualities and the results of American quality research.

Fats and Oils: Western Europe, the largest foreign market for United States fats and oils, came in for particular FAS attention in view of declining exports, increasing stocks and falling prices of fats and oils in this country in 1952-53.

A special study conducted in 10 European countries under the Agricultural Marketing Act to appraise the export possibilities for United States fats and oils produced important information needed by the American fats and oils industry. The survey showed that there was a substantial market for American fats and oils in Europe if price and quality were competitive with products of other countries. Further conclusions were that the role of price and quality had become increasingly important because expanded world production has lessened European dependence on the United States for fats and oils. It also was found that lack of adequate dollar exchange was a serious deterrent to large-scale trading but that undue emphasis on the dollar problem tended to obscure the equally fundamental price-quality issue.

The American fats and oils trade was kept informed of world production, demand and supplies continuously through the year by means of 13 published summaries, supplemented by numerous other informational articles published each week.

In addition to the world summaries mentioned, individual country fats and oils studies were published on India, China, Brazil, Argentina, and the Philippines, countries which are foreign market competitors, or are supply sources for certain United States imports. It was shown, for example, that China has again become an important competitor in the European oilseed market; information obtained from Hong Kong gave the first picture of the Chinese situation since the beginning of the Communist regime.

Fruits, Vegetables and Sugar: The foreign marketing situation was brighter in 1952-53 for citrus fruit than for most United States agricultural exports. Although world citrus production during the year of more than 400 million boxes of oranges set a new record, United States exports of fresh oranges also reached a record. Marketing specialist studies under the Agricultural Marketing Act were designed to aid these foreign sales.

A marketing specialist stationed in Paris under the AMA program worked to encourage European long-run interest in purchasing United States apples and pears. The world

apple and pear crops in 1952-53 were unusually large, particularly in Western Europe which before the war was the principal United States market for these fruits. The United States crops were small, and exports only one-third the volume of recent years.

A summary of the fruit and vegetable import and export situation showed that United States fruit exports depend largely upon the availability of "free" dollars in Europe and the price-supply situation in this country, and that only bargain-priced fruits would move into foreign trade, except to Canada and a few Latin American and Far Eastern countries.

Because of a continuing difficult marketing situation for almonds, filberts, and dried figs, it was necessary to institute controls on imports. FAS representatives participated in establishing the basis on which import quotas were placed on foreign almonds and filberts under Section 22 of the Agricultural Adjustment Act, as well as the duty increase on imports of dried figs.

Extensive work also was done in reporting the world production and trade situation regarding edible dry beans, sugar, raisins and other commodities.

Grains: The Foreign Agricultural Service devoted much attention to strengthening and otherwise improving foreign information on grains, such as data on foreign market potentialities, the competition United States exporters were likely to meet, foreign production, stocks, import requirements, and export availabilities. This information was channeled continuously to the American grain trade throughout the year.

In addition to participating actively in the "staff work" in connection with the drafting and negotiation of the 1953 renewed International Wheat Agreement, the Foreign Agricultural Service shared in special research relating to (1) national review of domestic programs and price support policies for grains, (2) domestic wheat acreage allotment and marketing quotas, (3) investigation of the need for Section 22 action on imported Canadian feedgrains, and (4) Senate Agriculture and Forestry hearings on exports and imports and their effect on farm price programs.

In the case of rice, there was special research relating to export controls and allocations. Unlike other major commodities, United States rice exports during 1952-53 continued at record levels, with the demand in importing countries continuing to exceed export availabilities by a wide margin.

Livestock and Animal Products: The Foreign Agricultural Service exercised leadership in the search for solutions to numerous problems that faced American producers of livestock and animal products as a result of reduced exports, higher imports, and accumulation of surpluses.

The Service during 1952-53 pointed out that world output of livestock and livestock products was being maintained or increased, competition was rising in foreign markets, and that import pressures were rising on price structures of meat, wool, dairy and poultry products.

Special reports called attention to the fact that new contracts between Argentina and the United Kingdom provided for increased prices for Argentine meat, and

larger shipments, which, with lower supplies in Argentina, would reduce Argentine exports to the United States. A study before the reopening of the United States border, closed by a Canadian foot-and-mouth outbreak, showed that as a result of greater consumption and the building up of herds in Canada, fewer imports of Canadian slaughter cattle and meat could be expected. A first-hand study of the cattle industry in Mexico conducted under the Agricultural Marketing Act prior to the lifting of the foot-and-mouth barrier affecting the country, indicated Mexican cattle and meat exports to the United States would about equal those of 1946, with an increase in meat in proportion to cattle.

There was considerable producer- and trade-interest in wool, and the Service furnished information on the size of the world clip, seasonal movement and trade, stock positions, and prices of wool sold in competition with the American output. FAS pointed out at the start of the 1952-53 year the large increase in world wool production which later developed to be an all-time record clip. As a result of the larger foreign supply and recovery in demand, seasonal movement for the first half of 1952-53 was up 52 percent over the preceding season. Through participation and cooperation with other countries in the International Wool Study Group, refined data on world consumption, stocks, and competition with synthetic fibers was made available to Government and industry.

Increased emphasis was placed on information relating to international trade in dairy products, which was the subject of many inquiries in view of tariff investigations and Congressional hearings on current and prospective imports of those commodities. United States dairy products have been meeting greater competition from abroad as result of recovery of output in Europe and expansion of output of canned and dried milk in New Zealand, Australia and Canada. A special dairy product project made possible by Section 32 funds afforded a timely and comprehensive analysis of the intake of dairy products in Asia, Latin America, Africa, and the Middle East. The project also appraised the competitive aspects of the recovery of production in Europe.

Important information also was compiled and distributed on eggs and poultry.

Tobacco: Because of a substantial drop in tobacco exports, the Foreign Agricultural Service stressed the collection and dissemination of information helpful in maintaining foreign markets. Much work was done in developing through private trade sources information of this type to supplement the Service's reports from official sources. Studies were made of the reasons for the export drop, and of what steps should be taken in trying to reverse the trend.

In order to give detailed information regarding the world tobacco situation, summaries of production and trade by kinds of tobacco, where possible, were reviewed and changed to provide domestic exporters with better understanding of the world competitive situation. Considerable work was done to devise a commercial intelligence report of facts other than strictly commodity information, knowledge of which could promote sales of American tobacco abroad.

During 1953, tobacco associations established an organization, recommended by the Service for the past several years, to finance exports of United States tobacco.

In 1952 the Philippine Republic, normally an important United States market, restricted tobacco imports. The Service, in collaboration with tobacco producers, sent a representative to make an on-the-spot-study, and advise with Philippine authorities as to problems that would arise from the legislation. Subsequently, the Philippine Minister of Finance requested modification of the law, but this could not be done prior to the Legislature's adjournment. The problem, therefore, will require further work during 1953-54 fiscal year.

After the Philippine study, the Service's specialist conducted studies of the tobacco marketing situations in southeastern Asia, central and western Africa, and several European countries to gain information about the consumption of, and demand for United States tobacco, and the production trends of competitive tobaccos. There was discussion with Government officials in West Africa regarding a 100 per-cent increase in import duties on tobacco moving into the Gold Coast. Since these discussions the Department of State has made informal representations regarding the increase, based upon facts the specialist obtained.

A marketing specialist maintained in Europe during the year reported on current developments in the tobacco markets there and in North Africa.

Agricultural Machinery and Supplies: Much work was done compiling and publishing data regarding increasing international trade in farm machinery, fertilizer materials and insecticides.

This work, begun when these products were in short supply in 1950 and it was thought that allocation or rationing might become necessary, was discontinued June 30, 1953 when increased production nullified this possibility.

FOREIGN TECHNICAL COOPERATION

The Foreign Agricultural Service continued to fulfill responsibility for the agricultural aspects of the overseas technical assistance program (Point 4).

Major aims of the program, as in previous years, were to (1) increase the collective strength and security of the free world in the face of grave totalitarian threats, and (2) enhance the prospects for greater international trade in which United States agriculture and other segments of the economy might share.

As stated previously, expanded markets for United States agricultural commodities will not be found in the underdeveloped areas of the world until the levels of economic productivity and purchasing power of those areas have been raised. The technical assistance program is proving to be one of the most effective factors in helping to raise those levels.

During the year the Service operated as the center of technical agricultural advice and information for the program, and as the employment agency for Point 4 American agricultural technicians to be sent abroad. It also conducted training and orientation programs both for foreign agricultural officials, scientists and technicians visiting the United States and for United States technicians about to be sent abroad. In these activities the Service functioned in a liaison capacity between

the Technical Cooperation Administration and Mutual Security Agency on the one hand, and the technical bureaus of the Department of Agriculture, the Land-Grant institutions and experiment stations on the other.

Technical Services Abroad: Technical advice and information relating to all major fields of agriculture were given to United States and foreign technicians working in 25 countries throughout the world.

In servicing the requests of the technicians, the Service was instrumental in arranging for increased participation of competent United States agricultural agencies, institutions and organizations in the program. Contributing directly to the program with technical services during the fiscal year were such agencies as the Forest Service; Bureau of Entomology and Plant Quarantine; Bureau of Plant Industry, Soils and Agricultural Engineering; Soil Conservation Service; Agricultural Research Administration; Extension Service; Bureau of Agricultural Economics; Bureau of Animal Industry; Farm Credit Administration; USDA Library and the Office of Personnel. Two additional Land-Grant institutions, the Universities of Wyoming and Arizona, were brought under contract with TCA during the year to carry out Point 4 agricultural work. This brings to 9 the total number of such participating state institutions.

Program responsibilities were thus extended to include a larger group of technicians working within the United States. This, in turn, provided technicians in the field with more ready access to the total storehouse of existing United States agricultural technical knowledge.

The year saw the development of new procedures and techniques which have brought about a more effective over-all training program abroad. Country staffs have begun to use "in-service" training courses for foreign nationals within their own countries. In Iran, for example, FAS staff members aided Iranian extension technicians in conducting on-the-spot training program for approximately 200 Iranian nationals. In addition, regional training courses for training technicians of neighboring countries have been assisted. During the year two major case studies on agricultural technical assistance and two smaller ones were published and utilized for teaching purposes. Five other case reports are now nearing completion and will soon be ready for use. All these studies focus on culture and administration.

A total of 146 American agricultural technicians from virtually all fields of agriculture were recruited and processed for overseas assignment during 1952-53, bringing the total FAS employees abroad to 311. Of the grand total, 122 were recruited from Land-Grant colleges and universities, 84 from the USDA, 26 from other Federal departments and agencies, and 79 from miscellaneous sources. Recruitment work was slowed somewhat below the rate of the previous year because of delays incurred by new regulations calling for more thorough loyalty and security checks on all new personnel. Processing of technicians bound for overseas posts was improved, however. A comprehensive 2-week agricultural orientation program was developed and implemented during the year, to supplement the 4-week course of the Foreign Service Institute, Department of State, in preparing the new employees for their foreign work.

Training within the United States: During 1952-53 a total of 2,102 foreign agricultural technicians from 60 countries were programed through study courses ranging from 1 to 2 weeks up to a full year. Of this number, 1,245 were provided complete training services, including programing, the handling of maintenance problems for participants and providing for travel and other services. The other 857 were referred to the Service for segments or complete phases of their training, but their travel and maintenance services were handled by others than USDA.

Training of foreign visitors within the United States was shifted as much as possible from an "individual" trainee basis to a "group" training basis, thus lightening the work loads for training personnel, making available better training facilities and more careful programing than is possible for individuals. In this field, also, the participation of cooperating agencies and institutions was increased. Twenty-seven special short courses were developed and held for participants from countries cooperating under the MSA program. During the same period, outlines for 14 group training programs were prepared for the use of participants from countries cooperating under the TCA program. Nine TCA groups completed or had training under way at the end of the fiscal year.

Landmarks of Progress: A general maturity of program relationships with other countries became evident during the year. The Service aided technicians abroad in building greater understanding among foreign governments and their agencies as to the purpose and role of United States technical assistance. As a result, programs for increasing the technical abilities of technicians and farmers abroad got into full stride in many countries.

Specific accomplishments in such a long-range program -- which depends so heavily on the cooperation of foreign governments and peoples -- are not easily defined except, perhaps, on a commodity basis. In Ecuador, for example, United States and Ecuadorian technicians have conducted joint research work that promises to get the disease-crippled Ecuadorian cacao industry back on its feet. Disease-resistant, high-yielding varieties of cacao are being developed for future plantings. Meanwhile, more effective fungicides, together with better methods of application, have been developed to control more effectively the disease attacking cacao plants now in production. The two-pronged attack promises a brighter day for an industry vital to the nation of Ecuador and important also to consumers of chocolate throughout the world.

In the larger sphere, however, in which the program seeks to help qualify local technicians in all fields of agriculture to render more effective service to the farmers of their areas, accomplishments are less easily defined. Responsibility and credit for the achievements of programs in this larger sphere rightfully go to the governments, ministries, and institutions within individual countries with which the program has been associated.

The Indian Government has established a national agricultural extension service with major responsibility for rural community development work. Some 60,000 village-level workers will be trained to render comprehensive public service -- their effort to be devoted, largely to achieving within the next 5 years the national goal of self-sufficiency in food production. In the Near East similar programs are under way, notably in Iran.

In Latin America, where United States agricultural technical assistance has been associated with progressive programs for more than 10 years, El Salvador's national agricultural program is nearing maturity. Eight years ago El Salvador had no organized agricultural program. Today it has developed a very effective Ministry of Agriculture with extension agents throughout most of the country, and has an effective research program with a central experiment station and several substations in the various soils regions of the country. Also it has laid the groundwork for establishing a vocational agriculture school and developing a university course in agriculture. Developments such as these are but representative of the progress growing out of programs with which United States agricultural technical assistance has been associated.

Multilateral Activities: Although much of the Service's 1952-53 cooperation work was of a bilateral nature, some involved cooperation of a multilateral nature with the more than 300 agricultural specialists of the Expanded Technical Assistance Program of the Food and Agriculture Organization of the United Nations.

September 1, 1953

